



In Iowa's Interest:

Strengthening Our Families – and Our Middle Class

by Senator Tom Harkin

For most Iowans, the holiday season is a time to gather with our families – and to appreciate that our loved ones are our true wealth. This year, however, too many middle class families across Iowa are stressed out by the still-struggling economy. Recently, members of my staff have visited all 99 counties to gather insights into these stresses. The bottom line: A growing number of Iowans say that their jobs are insecure, their savings and pensions have shrunk, and they are profoundly worried about the future.

It does not have to be this way. Naysayers claim that our best days are behind us, and that we should accept the shrinking middle class as the new normal. They say that America is broke and can no longer afford the investments that make a strong middle class possible. This is simply not the case.

The United States remains by far the wealthiest nation on Earth, and we lead the world in innovation and higher education. We must use these and other strengths to protect and rebuild the middle class – the most important challenge of our time.

To this end, let me mention several priorities for the year ahead in Congress.

Priority No. 1 is creating jobs. In the short term, the most effective way to accomplish this is by extending unemployment benefits. These benefits generate \$2 in economic activity for every \$1 spent. Benefits are not saved; they are spent right away to purchase everyday essentials – and this preserves and/or creates jobs on Main Street.

For the longer term, we must continue to invest in education, innovation, and infrastructure in order to create jobs and strengthen the middle class, even as we act to bring deficits under control. Indeed, the best way to reduce the deficit is to help nearly 14 million unemployed Americans to find jobs; they will be more than happy to become taxpayers once again.

Finally, we must work to strengthen retirement security. This means saying no to those who would slash Social Security and Medicare, and saying yes to common-sense reforms that will strengthen these critical programs for the long term. It also means expanding access to private pensions and making it easier for folks to save.

In recent years, Iowans have survived – and, in many cases, thrived – in the face of tough economic times. We know that the key to building stronger families and a stronger middle class is to build a stronger economy. The good news, this holiday season, is that America still has the skills, wealth, and work ethic to build this better future.